

The Gazette of India



EXTRAORDINARY PART II—Section 2 PUBLISHED BY AUTHORITY

No. 6] NEW DELHI, WEDNESDAY, MARCH 8, 1961/PHALGUNA 17, 1882

LOK SABHA

The following Bill was introduced in Lok Sabha on the 8th March, 1961:—

BILL No. II OF 1961

A Bill to amend the Medicinal and Toilet Preparations (Excise Duties) Act, 1955.

BE it enacted by Parliament in the Twelfth Year of the Republic of India as follows:—

1. (1) This Act may be called the Medicinal and Toilet Preparations (Excise Duties) Amendment Act, 1961.

Short title
and com-
mencement.

5 (2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

2. In section 19 of the Medicinal and Toilet Preparations (Excise Duties) Act, 1955 (hereinafter referred to as the principal Act), for sub-section (4), the following sub-section shall be substituted,

Amendment
of section 19.

10 namely:—

15 “(4) Every rule made under this section shall be laid as soon as may be after it is made before each House of Parliament while it is in session for a total period of thirty days which may be comprised in one session or in two successive sessions, and if before the expiry of the session in which it is so laid or the session immediately following both Houses agree in making any

*The President has, in pursuance of clause (1) of article 117 and clause (1) of article 274 of the Constitution of India, recommended to Lok Sabha the introduction of the Bill

modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.” 5

Amendment of Schedule. 3. In the principal Act, for the Schedule, the following Schedule shall be substituted, namely:—

“THE SCHEDULE

(See section 3)

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Item No.	Description of dutiable goods	Rate of duty
1.	Medicinal preparations, containing alcohol, which are prepared by distillation or to which alcohol has been added, and which are capable of being consumed as ordinary alcoholic beverages.	Rupees three and eighty five <i>naye</i> <i>paise</i> per litre of the strength of London proof spirit. 15
2.	Medicinal preparations not otherwise specified containing alcohol—	
	(i) Ayurvedic preparations containing self-generated alcohol, which are not capable of being consumed as ordinary alcoholic beverages.	<i>Nil.</i> 20
	(ii) Ayurvedic preparations containing self-generated alcohol, which are capable of being consumed as ordinary alcoholic beverages.	Thirty eight <i>naye</i> <i>paise</i> per litre. 25
	(iii) All others	Rupee one and ten <i>naye</i> <i>paise</i> per litre of the strength of London proof spirit. 30
3.	Toilet preparations containing alcohol, which are prepared by distillation or to which alcohol has been added.	Rupees seven per litre of the strength of London proof spirit. 35

Explanation I.—“London proof spirit” means that mixture of ethyl alcohol and distilled water which at the temperature of 51 degrees Fahrenheit weighs exactly 12/13th parts of an equal measure of distilled water at the same temperature.

Explanation II.—Where in respect of any dutiable goods the unit of assessment for the purpose of any duty under this Act is a litre of the strength of London proof spirit, the duty shall be increased or reduced in such proportion as the strength of the dutiable goods is
5 greater or less than that of the London proof spirit.”.

STATEMENT OF OBJECTS AND REASONS

Consequent on the decision to adopt metric units from the 1st April, 1961, in the sale of alcohol and collection of duty thereon, it is proposed to provide for the levy and collection of excise duty on medicinal and toilet preparations in terms of metric units.

At present toilet preparations that are considered capable of being consumed as ordinary alcoholic beverages, are subject to duty at the rate of Rs. 17/8/- and others at the rate of Rs. 5 per gallon of the strength of London proof spirit. Since toilet preparations are in the nature of luxury articles and there is no foreign competition—imports being banned or severely restricted—it is proposed to fix a uniform rate of duty of about Rs. 32 per gallon of the strength of London proof spirit which comes to Rs. 7 per litre in terms of metric units, irrespective of whether the preparations are capable of being consumed as ordinary alcoholic beverages or not.

Under existing item 2 (ii) of the Schedule to the Act, Ayurvedic preparations containing self-generated alcohol which are capable of being consumed as ordinary alcoholic beverages are subjected to duty at the rate of Rs. 3 per gallon. However, by virtue of the provision contained in section 19(2) (xix) of the Act, read with Rule 8 of the Medicinal and Toilet Preparations (Excise Duties) Rules 1956, the rate of duty with respect to such preparations has been reduced to Rs. 1.75 per gallon with effect from the 10th September, 1960, and it is this reduced rate that is proposed to be expressed in terms of metric units in the Bill.

MORARJI DESAI.

NEW DELHI;

The 25th February, 1961.

M. N. KAUL,
Secretary.

CORRIGENDA

In the Gazette of India Extraordinary, Part II—Section 2—

1. No. 44, dated the 14th November, 1960:—

Page 711, in the long title of the Bill, *after* “repeal” *read* “the”.

2. No. 53, dated the 5th December, 1960:—

Page 863, marginal reference, for “of 1922.” read “1 of 1922.”

3. No. 56, dated the 13th December, 1960:—

Page 885, line 11, under “Name of the Industry”, before
“(Aluminium Conductor....)” read “A.C.S.R.”.

4. No. 57, dated the 16th December, 1960:—

Page 889, line 14, for “1960” read “1956”.

5. No. 62, dated the 23rd December, 1960:—

(i) Page 937, marginal reference, for “50 1898” read “5 of
1898.”

(ii) Page 960, marginal heading to clause 35, for “relief how
granted.” read “Preventive relief how granted.”.

(iii) Page 999, line 31, for “jont” read “joint”.

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